

**Conference Committee Report on
House Bill No. 3839 / Senate Bill No. 3771**

The House and Senate Conference Committee appointed pursuant to motions to resolve the differences between the two houses on House Bill No. 3839 (Senate Bill No. 3771) has met and recommends that the following amendments be deleted:

House Amendment No. 1
Senate Amendment No. 2
Senate Amendment No. 3

The Committee further recommends that the following amendment be adopted:

ADMINISTRATION AMENDMENT TO BUDGET RECONCILIATION BILL

by deleting all language after the enacting clause and substituting the following:

JUVENILE COURT SUPPLEMENT

SECTION 1. Tennessee Code Annotated, Section 37-1-161(a), is amended by deleting paragraph (a) in its entirety and inserting in lieu thereof the following:

(a) There is hereby established a reimbursement account, which shall be comprised of such amount of federal funds as are set aside by the commission on children and youth from the state's allocation under the Juvenile Justice and Delinquency Prevention Act formula grant funds and of state funds, if funds for such purpose are appropriated in the general appropriations act. The reimbursement account shall be used to provide financial assistance to counties for removing children from adult jails.

SECTION 2. Tennessee Code Annotated, Section 37-1-162, is amended by deleting it in its entirety and substituting in lieu thereof the following:

(a) A supplement shall be provided by the state each year to counties for the improvement of juvenile court services. Such supplements shall be administered by the department of children's services and distributed by the department to participating counties. Where more than one (1) court exercises juvenile court jurisdiction within a single county, each court shall receive an

equitable share of the county's allocation, as determined by percentage of juvenile court intakes or some other appropriate measure. Each court accepting such funds shall employ a youth services officer to be appointed and supervised by the court.

(b) The department shall establish policies regarding application and reporting procedures, adequate minimum educational requirements for youth services officers, and permissible uses of funds received under this section, including, but not limited to, requirements that such funds shall not be used to supplant funds formerly used by counties for juvenile court services, to pay salaries or personal expenses of juvenile court judges, or to construct or remodel jails or other facilities used for the detention or housing of adults alleged to have committed or been convicted of criminal offenses.

DENTIST AT TAFT YOUTH CENTER AND OTHER INSTITUTIONS

SECTION 3. Tennessee Code Annotated, Section 4-6-110, is amended by:

(a) deleting the following language:

mental health facilities, the James M. Taft Youth Center, the Spencer Youth Center, the Tennessee Vocational School for Girls, the state penitentiary, and the Brushy Mountain state penitentiary

and by substituting instead the language "state prisons";

(b) deleting the language "patients or"; and

(c) adding the following sentence at the end of the section:

Such appointment may be by employment in the department or by contract for services.

STATE SALES TAX APPORTIONMENT – INCREASE TO CITIES FUND

SECTION 4. Tennessee Code Annotated, Section 67-6-103(a)(1), is amended by deleting the language “Twenty-nine and two hundred forty-six ten-thousandths percent (29.0246%)” and by substituting instead the language “Twenty-nine and one hundred forty-one ten-thousandths percent (29.0141%)”.

SECTION 5. Tennessee Code Annotated, Section 67-6-103(a)(3), is amended by deleting the language “Four and five thousand nine hundred twenty-five ten-thousandths percent (4.5925%)” each place that it appears and by substituting instead the language “Four and six thousand thirty ten-thousandths percent (4.6030%)” in each place.

CAPITAL BUDGET – BUDGET AND APPROPRIATIONS BILL

SECTION 6. Tennessee Code Annotated, Section 9-4-5106, is amended by inserting the following as a new paragraph (b):

(b) The capital budget, to be included in part 3 of the budget document, shall contain funding for all capital outlay. Funding for all capital improvement projects of whatever amount and funding for each capital maintenance project of one million dollars (\$1,000,000) or more shall be specified by project, by affected spending agency, and by funding sources, including state current funds, bonds, and other revenue. Funding for each capital maintenance project of less than one million dollars (\$1,000,000) shall be specified in such detail in the budget document as the Governor shall determine.

SECTION 7. Tennessee Code Annotated, Section 9-4-5108, is amended by deleting paragraph (b) in its entirety and inserting the following new paragraph (b):

(b) Appropriations for capital improvement and capital maintenance projects shall be specified by state agency in lump sums consistent with capital improvement and maintenance projects detailed in the budget document.

FILM INCENTIVES

SECTION 8. Tennessee Code Annotated, Section 4-3-4903(c), is further amended by designating the existing language as subdivision (1), and by adding the following, to be designated as subdivision (2):

(2) The amount of each grant awarded pursuant to this section shall not exceed twenty-five percent (25%) of the total expenses incurred by a production company for a project; except, however, the department may award grants in excess of this amount if deemed appropriate by the department. It is the legislative intent that funding be appropriated each year in the general appropriations act for awarding grants. It is further the legislative intent that the department strive to award the maximum amount of incentive grants authorized by this section due to the amendments to § 67-4-2109(j) provided in this act.

SECTION 9. Tennessee Code Annotated, Section 4-3-4903(i), is amended by deleting the language " is authorized to" and by substituting instead the language "shall".

SECTION 10. Tennessee Code Annotated, Section 67-4-2109(j), is amended by adding the following language as new subdivision (6):

(6) The credit provided for in this subsection (j) shall not apply to tax years beginning on or after July 1, 2012; provided that this subdivision (j)(6) shall have no effect on the right of any taxpayer to realize the benefits of any credit provided under subsection (j) in the event that the commissioner of revenue and the commissioner of economic and community development determine that the taxpayer's production is in the "best interest of this state" pursuant to § 67-4-

2109(j)(1)(A) and the taxpayer incurs expenses related to such production prior to July 1, 2012.

EFFECTIVE DATE OF JULY 1, 2012

SECTION 11. This act shall take effect on July 1, 2012, the public welfare requiring it.

AND FURTHER AMEND by requesting that the engrossing clerk:

- (1) delete the bold underlined explanatory headings in this amendment;
- (2) and exclude this paragraph from the engrossed bill.

Senator Randy McNally

Representative Charles Sargent

Senator Lowe Finney

Representative David Alexander

Senator Bill Ketron

Representative Craig Fitzhugh

Senator Jim Kyle

Representative Mike Harrison

Senator Mark Norris

Representative Gerald McCormick

Senator Bo Watson

Representative Mike Turner